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C O N F I D E N T I A L SECTION 01 OF 02 LA PAZ 001396

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STATE FOR WHA/AND
TREASURY FOR SGOOCH
MCC FOR AKIRSCHENBAUM

E.O. 12958: DECL: 05/21/2017
TAGS: [PGOV](#) [PREL](#) [EAID](#) [ECON](#) [EAGR](#) [BL](#)
SUBJECT: AMBASSADOR MEETS PREFECT, JOURNALISTS, AND
LAUNCHES USDA PROGRAM

Classified By: Ecopol Counselor Andrew Erickson for reasons 1.4 (b) and (d).

Summary

¶1. (C) On May 17, Santa Cruz Prefect Costas told the Ambassador that he predicts a poor outcome for the Constituent Assembly (CA), and suggested that the opposition's strategy would be to seek redress before the Constitutional Tribunal if the MAS violated the terms of the Assembly's convening legislation. Costas argued that the MAS would push the CA to complete its work by August, even if the MAS had to strike a deal on the constitution's content, in order to call elections while President Morales remains popular. Noting that in the absence of courts he himself could eventually face jail time, Costas indicated that Morales could consolidate power by attacking and limiting the power of other branches and levels of government, including by making threats and false allegations against the prefects. He lamented that the Bolivian opposition lacks leaders, vision, and unity, and argued that delaying elections was the opposition's only hope of defeating the MAS. In a lunch on May 17, Santa Cruz media representatives expressed concern that extending ATPDEA benefits would reward the Morales administration's bad behavior and complained that Santa Cruz receives insufficient attention from the USG. Later the same day, the Ambassador participated in the media-covered launch of the USDA-supported National Fruit Fly Control Program. End summary.

MAS Wants Elections, Opposition Wants Time

¶2. (C) In a May 17 meeting, Santa Cruz Prefect Ruben Costas

told the Ambassador that he predicts the Constituent Assembly (CA) will have a poor outcome. He said that Article 70 approved by the MAS constituents violates the CA convening legislation's voting rules, and that because any citizen could present a claim before the Constitutional Tribunal, the GOB sees the Tribunal as a threat. He added there are rumors that the MAS lacks as few as six votes to achieve the amount necessary to enact its agenda. He argued that the only recourses for the opposition are to defend the autonomy referendum and the convening legislation's requirement of a two-thirds vote by seeking redress before the Constitutional Tribunal.

13. (C) Costas argued that the MAS would push the CA to complete its work on time (by August) even if MAS constituents had to strike a deal on the content of the constitution, so that the MAS could call elections while it continues to rate high in the polls. He argued that the results of the CA are less important to the Morales administration than elections, explaining that the Venezuelan constitution lacked radical elements, but Chavez had consolidated power anyway. He indicated that Morales could consolidate power by attacking and limiting the power of other branches and levels of government, including by making threats and false allegations against the prefects to have them jailed. He lamented that the Bolivian opposition lacks leaders, vision, and unity, whereas President Morales and Vice President Garcia Linera are true believers in their cause who are not seeking fortune through public service and know where they want to go. He added that the opposition's only hope of defeating the MAS in elections is to delay the process long enough to show that the MAS government could not produce results.

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Santa Cruz Media Representatives

14. (C) On May 17, five Santa Cruz media representatives expressed concern that extension of Andean Trade Promotion and Drug Eradication Act (ATPDEA) benefits to Bolivia would reward the GOB's questionable political behavior (influenced by Venezuelan President Chavez) and poor performance on coca eradication. In response to the Ambassador's question, three of the five said they believed, on balance, that the U.S. should extend the benefits. The journalists added that coca growers in the Chapare are an important source of financing for the MAS political movement. They complained that the opposition in Santa Cruz does not receive sufficient support from the U.S. government, while the Venezuelan government is doling out checks to mayors throughout the country (and particularly in the opposition-led eastern regions) to support the MAS' re-election campaign. However, they noted that the Catholic church is a natural ally, with whom they could seek to check the MAS' agenda. The Ambassador replied that the Embassy supports many programs in Santa Cruz, including with the prefecture. However, our relations are with the central government, not with regions.

15. (C) The journalists emphasized that they want other countries to think of the Santa Cruz opposition not as separatists, but as defenders of democracy. They noted that they had seen proof of fraudulent identification cards issued with Venezuelan financing, and were worried about voting fraud in the likely 2008 presidential elections, which they predicted Evo Morales would win. However, they expressed hope that a bad constitution may not be approved by public referendum, as polls in April and May had shown a declining trend of support for the MAS-led constitutional agenda.

Ambassador Launches USDA-Sponsored Program

¶6. (U) Subsequently, the Ambassador launched the USDA-sponsored National Fruit Fly Control Program, along with Tarija Prefect Mario Cossio, a representative from the Santa Cruz prefecture, regional U.S. Animal and Plant Health Inspection Service (APHIS) Director Karen Sliter, and Bolivia's animal and plant health service (SENASAG) National Director Marcos Jordan. The program, which received USD 1.7 million of financing through PL-480 Title I and is being technically supported by the APHIS office in Santa Cruz, will be implemented by SENASAG over three years to reduce fruit fly populations, improve fruit yields, and facilitate Bolivian exports. The event, which show-cased U.S. cooperation with the Bolivian agriculture ministry and small producers, received significant press coverage and was attended by around 150 people.

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